

☒ New
☐ OTR
☐ Sole Source
☐ Bid Waiver
☐ Emergency
 Previous Contract/Project No. 5731-3/11-3

☐ Contract

☐ Re-Bid
☐ Other

LIVING WAGE APPLIES: ☐ YES ☒ NO

Requisition No./Project No.: RQWS1100015

TERM OF CONTRACT 5 YEAR(S) WITH 5 YEAR(S) OTR

Supply of natural gas via pipeline to the Water and Sewer Department (WASD).

| GENERAL | FEDERAL | OTHER        |
|---------|---------|--------------|
|         |         | X - Prop Rev |

|  |                        |                                   |                                   |    |  |  |
|--|------------------------|-----------------------------------|-----------------------------------|----|--|--|
| <b>Commodity Codes:</b>  |                        | 405-13                            | 906-36                            |    |  |  |
| Contract/Project History of previous purchases three (3) years                                   |                        |                                   |                                   |    |  |  |
| Check here <input type="checkbox"/> if this is a new contract/purchase with no previous history. |                        |                                   |                                   |    |  |  |
|  | <u><b>EXISTING</b></u> | <u><b>2<sup>ND</sup> YEAR</b></u> | <u><b>3<sup>RD</sup> YEAR</b></u> |    |  |  |
| <b>Contractor:</b>   | Interconn Resources    |                                   |                                   |    |  |  |
| <b>Small Business Enterprise:</b>  | No                     |                                   |                                   |    |  |  |
| <b>Contract Value:</b>   | \$9,200,000            | \$                                |                                   | \$ |  |  |
| <b>Comments:</b>   |                        |                                   |                                   |    |  |  |

|     |           |                     |                |                  |
|-----|-----------|---------------------|----------------|------------------|
|     | Set-aside | Sub-contractor goal | Bid preference | Selection factor |
| SBE |           |                     |                |                  |

7C :01 44 6 Date returned to DPM: 106 1107

RECEIVED  
DEPT. BUSINESS DEV.

| ESTIMATED PROJECT TIMELINE                |               |             |   |
|---|---------------|-------------|---|
| SOLICITATION TITLE: Supply of Natural Gas |               |             | ESTIMATED VALUE: \$10,000,000                         |
| Step                                      | Proposed Date | Actual Date | Comments  |
| User Department Draft Approval            | 31-May-11     | 03-Jun-11   |   |
| SBD or RC Approval                        | 08-Jun-11     |             |   |
| DPM Management Draft Approval             | 30-Jun-11     |             |   |
| DPM Approval to Advertise                 | 15-Jul-11     |             |   |
| Publish Solicitation on the Web           | 18-Jul-11     |             | Solicitation must be advertised for at least 2 weeks. |
| Open Solicitation                         | 10-Aug-11     |             |   |
| Evaluation Completed                      | 31-Aug-11     |             |   |
| DPM Management Award Approval             | 30-Sep-11     |             |   |
| CMO Award Approval                        | 31-Oct-11     |             |   |
| Budget Committee Award Approval           | 31-Dec-11     |             | No Committee in August                                |
| BCC Award Approval                        | 31-Jan-12     |             | No BCC in August                                      |
| Contract Effective Date                   | 01-May-12     |             |   |
| Project Timeline                          | 218 days      |             |   |

Prepared by: Kmi Ra

**SECTION 2**  
**SPECIAL CONDITIONS**  
**Supply of Natural Gas**

**2.1 PURPOSE**

The purpose of this solicitation is to establish a contract for the purchase of the supply of natural gas (delivered by pipeline) in conjunction with the needs of Miami-Dade County, Florida, on an as needed basis, for the Miami-Dade Water and Sewer Department (WASD).

**2.2 SMALL BUSINESS CONTRACT MEASURES FOR SOLICITATIONS GREATER THAN \$50,000 (Bid Preference)**

A Small Business Enterprise (SBE) bid preference applies to this solicitation. A ten (10%) percent bid preference shall apply to contracts valued up to \$1 million and a five (5%) percent bid preference shall apply to contracts greater than \$1 million. A SBE/Micro Business Enterprise must be certified by the Department of Small Business Development (SBD) for the type of goods and/or services the Enterprise provides in accordance with the applicable Commodity Code(s) for this solicitation. For certification information, contact the Department of Small Business Development at 305-375-CERT (2378) or access Miami-Dade County - Small Business Development - Certification Process. The SBE/Micro Business Enterprise must be certified by bid submission deadline, at contract award and for the duration of the contract to remain eligible for the preference.

**2.3 PRE-BID CONFERENCE**

Intentionally Omitted

**2.4 TERM OF CONTRACT: FIVE (5) YEARS**

This contract shall commence on the first calendar day of the month succeeding approval of the contract by the Board of County Commissioners, or designee, unless otherwise stipulated in the Notice of Award Letter which is distributed by the County's Department of Procurement Management, and contingent upon the completion and submittal of all required bid documents. The contract shall expire on the last day of the last month of the five-year (5) contract term.

**2.5 OPTION TO RENEW FOR AN ADDITIONAL FIVE (5) YEAR PERIOD**

2.5.1 The initial contract term shall prevail for five (5) years from the contract's initial effective date. Prior to, or upon completion, of that initial term, the County shall have the option to renew this contract for an additional five (5) year period. The vendor shall maintain, for the entirety of the stated additional period, the same terms and conditions included within the originally awarded contract. Continuation of the contract beyond the initial period, and any option subsequently exercised, is a

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County prerogative, and not a right of the vendor. This prerogative may be exercised only when such continuation is clearly in the best interest of the County.

- 2.5.2 The County reserves the right to negotiate lower pricing for the additional term based on market research information or other factors that influence price.
- 2.5.3 Should the vendor decline the County's right to exercise the option period, the County will consider the vendor in default, which decision shall affect that vendor's eligibility for future contracts.

**2.6 METHOD OF AWARD: To a Single Lowest Priced Vendor**

- 2.6.1 Award of this contract will be made to the responsive, responsible vendor who submits the lowest firm fixed service adder price. The County will award the total contract to a single vendor.
- 2.6.2 To be eligible for award, the vendor must meet the following minimum qualifications:
  - a. The vendor must have a minimum current capacity of at least 30,000 therms per day of FTS-1 (Firm Transportation Service) and/or FTS-2 in the Florida Gas Transmission (FGT) pipeline. The vendor must submit as part of its bid the Certification Form attached to Section 4, Bid Submittal Form, signed and notarized by Florida Gas Transmission.
- 2.6.3 Notwithstanding the aforementioned Method of Award, the County, at its option, may avail itself of any or all of the provisions stated in Section 1, Paragraph 1.5, Award of Bid Solicitation.

**2.7 PRICES**

**2.7.1 Firm Fixed Service Adder Price**

- a. The firm fixed service adder price shall be defined as a price per therm consisting of all charges necessary for the vendor to fully complete and invoice the business transaction, inclusive of delivery, profit, and any other fees; exclusive of FGT fuel and usage fees. The firm fixed service adder price excludes taxes and the Index Price of spot gas delivered to pipelines, as published by the Federal Energy Regulatory Commission (FERC). The User Access Program (UAP) and the Inspector General (IG) fees should not be included in the firm fixed service adder price.

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- 2.7.2 The Price to be paid by the County for the months in which deliveries occur shall be based on the Index Price published in the first-of-the-month issue of the "Inside FERC's Gas Market Report – Prices of Spot Gas Delivered to Pipelines", under Florida Gas Transmission (FGT), Zone 2, plus the firm fixed service adder price.
- 2.7.3 The vendor shall furnish with each invoice a copy of the index price report for spot market gas delivered to pipeline (FERC report), as posted, to the attention of the Miami-Dade Water and Sewer Department, Douglas Center, 3071 SW 38<sup>th</sup> Avenue, Miami, Florida 33146.
- 2.7.4 During the term of the contract and any subsequent options to renew that may be exercised by the County, the County may at any time request a firm fixed price for natural gas for any number of consecutive months based on the New York Mercantile Exchange (NYMEX) pricing. The vendor shall use all reasonable efforts to purchase the natural gas on the requested basis. However, the vendor shall not purchase the natural gas for the County unless both parties mutually agree. If a mutually agreeable price is not achieved, the price for the natural gas will defer to the Index Price.

**2.8 EXAMINATION OF COUNTY FACILITIES AND INSPECTION OF COUNTY EQUIPMENT**

Intentionally Omitted

**2.9 EQUAL PRODUCT**

Intentionally Omitted

**2.10 LIQUIDATED DAMAGES FOR INCOMPLETE PROJECTS**

Intentionally Omitted

**2.11 INDEMNIFICATION AND INSURANCE**

- 2.11.1 Provider shall indemnify and hold harmless the County and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorneys' fees and costs of defense, which the County or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance of this Agreement by the Provider or its employees, agents, servants, partners principals or subcontractors. Provider shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or

**SECTION 2**  
**SPECIAL CONDITIONS**  
**Supply of Natural Gas**

actions of any kind or nature in the name of the County, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may issue thereon. Provider expressly understands and agrees that any insurance protection required by this Agreement or otherwise provided by Provider shall in no way limit the responsibility to indemnify, keep and save harmless and defend the County or its officers, employees, agents and instrumentalities as herein provided.

2.11.2 The vendor shall furnish the Certificate(s) of Insurance which indicate that insurance coverage has been obtained which meets the requirements as outlined below to the Department of Procurement Management, 111 NW 1st Street, Suite 1300, Miami, Florida 33128-1989:

- A. Worker's Compensation Insurance for all employees of the vendor as required by Florida Statute 440.
- B. Public Liability Insurance on a comprehensive basis including XCU coverage in an amount not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage. Miami-Dade County must be shown as an additional insured with respect to this coverage.
- C. Automobile Liability Insurance covering all owned, non-owned and hired vehicles used in connection with the work, in an amount not less than \$300,000 combined single limit per occurrence for bodily injury and property damage.

2.11.3 All insurance policies required above shall be issued by companies authorized to do business under the laws of the State of Florida, with the following qualifications:

2.11.3.1 The company must be rated no less than "B" as to management, and no less than "Class V" as to financial strength, by the latest edition of Best's Insurance Guide, published by A.M. Best Company, Oldwick, New Jersey, or its equivalent, subject to the approval of the County Risk Management Division.

Or

2.11.3.2 The company must hold a valid Florida Certificate of Authority as shown in the latest "List of All Insurance Companies Authorized or Approved to Do Business in Florida" issued by

**SECTION 2**  
**SPECIAL CONDITIONS**  
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the State of Florida Department of Insurance and are members  
of the Florida Guaranty Fund.

2.11.4 Certificates will indicate no modification or change in insurance shall be made without thirty (30) days in advance notice to the certificate holder.

NOTE: MIAMI-DADE COUNTY BID NUMBER AND TITLE OF BID MUST APPEAR ON EACH CERTIFICATE, CERTIFICATE HOLDER MUST READ:

MIAMI-DADE COUNTY  
111 NW 1<sup>ST</sup> STREET  
SUITE 1300  
MIAMI, FL 33128

2.11.5 Compliance with the foregoing requirements shall not relieve the vendor of his liability and obligation under this section or under any other section of this agreement.

2.11.6 Issuance of a purchase order is contingent upon the receipt of the insurance documents within fifteen (15) calendar days after Board of County Commission approval. If the insurance certificate is received within the specified time frame but not in the manner prescribed in this Invitation to Bid, the vendor shall be verbally notified of such deficiency and shall have an additional five (5) calendar days to submit a corrected certificate to the County. If the vendor fails to submit the required insurance documents in the manner prescribed in this Invitation to Bid within twenty (20) calendar days after Board of Commission approval, the vendor shall be in default of the contractual terms and conditions and shall not be awarded the contract. Under such circumstances, the vendor may be prohibited from submitting future offers to the County in accordance with Section 1, Paragraph 1.23 of the General Terms and Conditions.

2.11.7 The vendor shall be responsible for assuring that the insurance certificate required in conjunction with this Section remain in force for the duration of the contractual period; including any and all option years that may be granted to the vendor in accordance with Section 2, Paragraph 2.5 of the Special Conditions. If insurance certificates are scheduled to expire during the contractual period, the vendor shall be responsible for submitting new or renewed insurance certificates to the County in advance of such expiration. In the event that expired certificates are not replaced with new or renewed certificates which cover the contractual period, the County shall suspend the contract until such time as the new or renewed certificates are received by the County in the manner prescribed in the Invitation To Bid; provided,

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however, that this suspended period does not exceed thirty (30) calendar days. If such suspension exceeds thirty (30) calendars days, the County may, at its sole discretion, terminate this contract for cause and seek re-procurement damages from the Bidder in accordance with Section 1, Paragraph 1.23 of the General Terms and Conditions.

**2.12 BID GUARANTY**

Intentionally Omitted

**2.13 PERFORMANCE BOND**

Intentionally Omitted

**2.14 CERTIFICATIONS**

Intentionally Omitted

**2.15 METHOD OF PAYMENT: PERIODIC INVOICES FOR COMPLETED PURCHASES**

2.15.1 The vendor shall submit an invoice(s) to the County after purchase has been completed and the natural gas has been delivered and received by an authorized representative at the Water and Sewer Department (WASD). In addition to the general invoice requirements set forth below, the invoices shall reference the corresponding delivery ticket number that was signed by an authorized representative of WASD at the time the natural gas were delivered and accepted. Submittal of these periodic invoices shall not exceed thirty (30) calendar days from the delivery of the gas. Under no circumstances shall the invoices be submitted to the County in advance of the delivery and acceptance of the natural gas.

2.15.2 All invoices shall contain the following basic information:

- a. Vendor Information:
  - i. The name of the business organization as specified on the contract between Miami-Dade County and vendor
  - ii. Date of invoice
  - iii. Invoice number
  - iv. Vendor's Federal Identification Number on file with Miami-Dade County

**SECTION 3**  
**TECHNICAL SPECIFICATIONS/SCOPE OF WORK**  
**Supply of Natural Gas**

**3.1 SUMMARY**

The purpose of this Invitation to Bid is to establish a contract for the purchase of natural gas for the Hialeah Water Treatment Plant, the Alexander Orr Water Treatment Plant, and the South District Wastewater Treatment Plant, on behalf of the Miami-Dade Water and Sewer Department (WASD).

**3.2 VENDOR AFFIRMATIONS**

3.2.1 The vendor shall also warrant good title to the natural gas sold and delivered to the City Gate(s) as stated herein. The title to such gas shall pass to WASD at the City Gate(s).

3.2.2 It is the intention of this contract that actual monthly receipts of natural gas shall be equal to the actual monthly deliveries by the vendor to Miami-Dade County. Imbalances between such receipts for deliveries shall be adjusted by the vendor and/or corrected as soon as operating conditions permit.

**3.3 NATURAL GAS STANDARD**

The gas, with a minimum heating value of 1,000 British Thermal Units (BTUs) per cubic foot at standard temperature and pressure, shall be supplied at the metering locations (City Gate).

**3.4 PROPOSED USAGE**

It is anticipated that the natural gas usage for this contract will be in excess of 22,000 therms per day with an actual connected gas consumption of approximately 8,349,000 therms per year. Estimated quantities represent the needs of WASD during the term of the contract, and no guarantee is expressed or implied as to actual quantities or dollars that will be purchased during the contract period.

**3.5 FUTURE GAS SUPPLY AND CAPACITY**

During the course of this contract and subsequent renewals, WASD intends to install three (3) high service gas pumps at the Alexander Orr Water Treatment Plant. These new gas burning units when operating full time will consume an additional 30,000 to 40,000 therms per day over existing consumption level. The new gas engines are intended for standby use as a result of storms, hurricanes, etc. and will be operated approximately 16 hours per month for testing, etc. It is suggested that the bidders take this into consideration in competing for this contract.